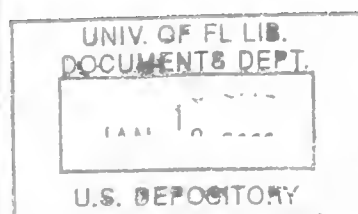


Tobacco

INSPECTION • MARKET NEWS
AND DEMONSTRATION SERVICES



Type 31
BURLEY



U.S. DEPARTMENT OF AGRICULTURE
CONSUMER AND MARKETING SERVICE
TOBACCO DIVISION

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Cover illustrations:

1. A Federal tobacco inspector, working in a Lexington warehouse.
2. Kentucky farm woman who has been raising tobacco for 45 years compares USDA tobacco market price report with a newspaper report.
3. A Federal tobacco inspector demonstrating the proper sorting and preparation of tobacco for market.

This publication last issued in March 1964 by the Agricultural Marketing Service. Revised May 1965 by the Consumer and Marketing Service. The name of the Agricultural Marketing Service was changed to Consumer and Marketing Service effective February 8, 1965.

TOBACCO INSPECTION, MARKET NEWS, AND DEMONSTRATION SERVICES

Class 3(a) - Light air-cured
Type 31 - Burley

Inspection of tobacco according to standard grades as an aid to growers in marketing their crop began in the United States Department of Agriculture in 1929. In August 1935, The Tobacco Inspection Act became law. This act offered growers free and mandatory inspection on tobacco auction markets where it was desired. That is, the growers might request a referendum be held on a market or group of markets, and if two-thirds of the voters favored inspection, those markets would then be designated by the Secretary of Agriculture for free and mandatory inspection.

In 1936, growers, recognizing the benefits of the inspection service, began requesting it for their respective markets, and by 1940, it had spread to almost one-half of the auction markets in the Burley area. In October 1941, a general referendum was held and passed covering the remaining markets, and beginning with the season of 1941-42, all Burley markets (located in Kentucky, Tennessee, Virginia, North Carolina, West Virginia, Ohio, Indiana, and Missouri) have had free and mandatory inspection service.

The purposes of the inspection and market news services are readily understood by every farmer who has sold a split lot of tobacco for two widely different prices, or has rejected a bid and resold the same tobacco, on the same day, on the same warehouse floor, for possibly several dollars above the first price offered. Every tobacco grower knows there is much uncertainty about the price any basket of tobacco will bring, and that there is a wide range in the prices paid for lots of tobacco of the same quality.

Inspection and market news services, based on Government standard grades, have been developed to provide a measuring stick and price guide to the grower. Prior to the sale, a trained inspector examines each basket of tobacco and certifies it as to grade 1/. The market price reports, furnished by the market news service, cooperating in some instances with State agencies, give the grower the current average price paid and support price for each specific grade. With this information he can determine whether his tobacco is selling in line with current prices, and is enabled to make an intelligent decision, whether to reject a bid, sell, or accept a price-support loan.

The Government through its lending agencies offers non-recourse loans on crops for which marketing quotas have been approved by growers. These are made through cooperative associations or other responsible organizations. They place a support price on each basket of growers' tobacco that is in sound and merchantable condition. The Government standard grades, determined by authorized inspectors, are the bases for the loans.

1/ Packed and processed tobacco is also inspected and grade certified upon application by interested parties.

BRIEF CLASSIFICATION OF LEAF TOBACCO

(Covering classes and types)

CLASS 1, FLUE-CURED TYPES

- Type 11: Old Belt flue-cured; produced principally in the Piedmont sections of Virginia and North Carolina.
- Type 12: Eastern North Carolina flue-cured; produced principally in the coastal sections of North Carolina, north of the South River.
- Type 13: South Carolina flue-cured; produced principally in the coastal sections of South Carolina and the southeastern counties of North Carolina, south of the South River.
- Type 14: Georgia and Florida flue-cured; produced principally in southern Georgia and northern Florida.

CLASS 2, FIRE-CURED TYPES

- Type 21: Virginia fire-cured; produced in the Piedmont and mountain sections of Virginia.
- Type 22: Tennessee-Kentucky fire-cured, eastern district, Clarksville, Springfield, and Hopkinsville; produced principally in a section east of the Tennessee River, in southern Kentucky and northern Tennessee.
- Type 23: Kentucky-Tennessee fire-cured, western district, Mayfield, and Murray; produced principally in a section between the Tennessee, Ohio, and Mississippi rivers in western Kentucky and northwestern Tennessee.

CLASS 3, AIR-CURED TYPES

LIGHT AIR-CURED (CLASS 3a)

- Type 31: Burley; produced principally in Kentucky, Tennessee, Ohio, Indiana, West Virginia, Virginia, North Carolina, and Missouri.
- Type 32: Southern Maryland; produced principally in five counties of southern Maryland--Prince Georges, Anne Arundel, Calvert, Charles, and St. Marys.

DARK AIR-CURED (CLASS 3b)

- Type 35: One Sucker; produced in north-central Tennessee and south-central Kentucky.
- Type 36: Green River; produced in the northern part of Kentucky in the territory adjacent to Owensboro and Henderson.
- Type 37: Virginia sun-cured; produced principally in central Virginia, north of the James River.

CLASS 4, CIGAR-FILLER TYPES

- Type 41: Pennsylvania Seedleaf; produced principally in Lancaster County, Pa., and the adjoining counties.
- Type 42-44: Ohio filler; produced principally in the Miami Valley section of Ohio and extending into Indiana.
- Type 46: Puerto Rican sun-grown, including primed (Deshojado) and stalk-cut (Mata); produced on the Island of Puerto Rico

CLASS 5, CIGAR-BINDER TYPES

- Type 51: Connecticut Broadleaf; produced in the Connecticut Valley sections of Connecticut and Massachusetts.
- Type 52: Connecticut Havana Seed; produced in the Connecticut and Housatonic Valley sections of Connecticut and Massachusetts.
- Type 53: New York and Pennsylvania Havana Seed; produced in the Big Flats and Onondaga sections of New York, and extending into Pennsylvania.
- Type 54: Southern Wisconsin; produced in Wisconsin, south and east of the Wisconsin River.
- Type 55: Northern Wisconsin; produced in Wisconsin, north and west of the Wisconsin River, and in eastern Minnesota.

CLASS 6, CIGAR-WRAPPER TYPES

- Type 61: Connecticut Shade; produced in the Connecticut Valley sections of Connecticut and Massachusetts.
- Type 62: Georgia and Florida Shade; produced in southwestern Georgia and north-central Florida.

MISCELLANEOUS TYPES OF DOMESTIC TOBACCO

- Type 72: Louisiana Perique.
- Type 73: All domestic types of tobacco not otherwise classified.

FOREIGN TYPES

- Type 81: Cuba.
- Type 82: Indonesia.
- Type 83: Philippine Islands.
- Type 84: Brazil.
- Type 85: Colombia.
- Type 86: Dominican Republic.
- Type 87: Paraguay.
- Type 88: All foreign-grown cigar-leaf not otherwise classified.
- Type 90: Foreign-grown cigarette and smoking tobacco (Turkish and other).

TOBACCO

AUCTION MARKETS AND PRODUCING AREAS

(CIGAR LEAF PRODUCING AREAS NOT SHOWN)



TYPE AREAS INDICATED BY NUMBERS 11-37

MARKETS THAT SELL TWO OR MORE TYPES-

RUSSELLVILLE, KY	TYPE 31 AND 33
OWENSBORO, KY	TYPE 31 AND 36
NOPKINSVILLE, KY	TYPE 22 AND 31
CLARKSVILLE, TENN	TYPE 22 AND 31
SPRINGFIELD, TENN	TYPE 22, 31, AND 35
MAYFIELD, KY	TYPE 23, 31, AND 35
MURRAY, KY	TYPE 23 AND 35
FRANKLIN, KY	TYPE 31 AND 35

* MARKETS THAT SHARE SETS OF BUYERS

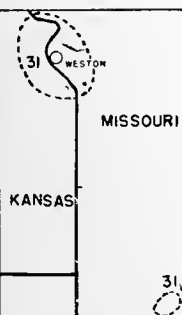
TYPE 31	
LOUISVILLE, KY, AND NEW ALBANY, IND.	2 SETS
MAYFIELD AND PADUCAN, KY	1 SET
COLUMBIA AND MT PLEASANT, TENN	1 SET
BOWLING GREEN, FRANKLIN, AND	
RUSSELLVILLE, KY (IN ADDITION TO	2 SETS
1 FULL SET AT BOWLING GREEN)	
ATHENS AND SWEETWATER, TENN	1 SET

TYPE 35
FRANKLIN, RUSSELLVILLE, MAYFIELD, AND
MURRAY, KY, AND SPRINGFIELD, TENN.

2 SETS

IN FLUE-CURED, A FEW MARKETS ARE INCLUDED IN ONE TYPE GROUPING ON THE BASIS OF OPENING DATE BUT ARE LOCATED IN ANOTHER TYPE AREA.
ALL MARKETS ARE OFFICIALLY INSPECTED (BALTIMORE IS NOT AN AUCTION CENTER, IT IS A HOGSHEAD MARKET)

SMALL NUMBERS WITHIN CIRCLES REPRESENT NUMBER OF SETS OF BUYERS.

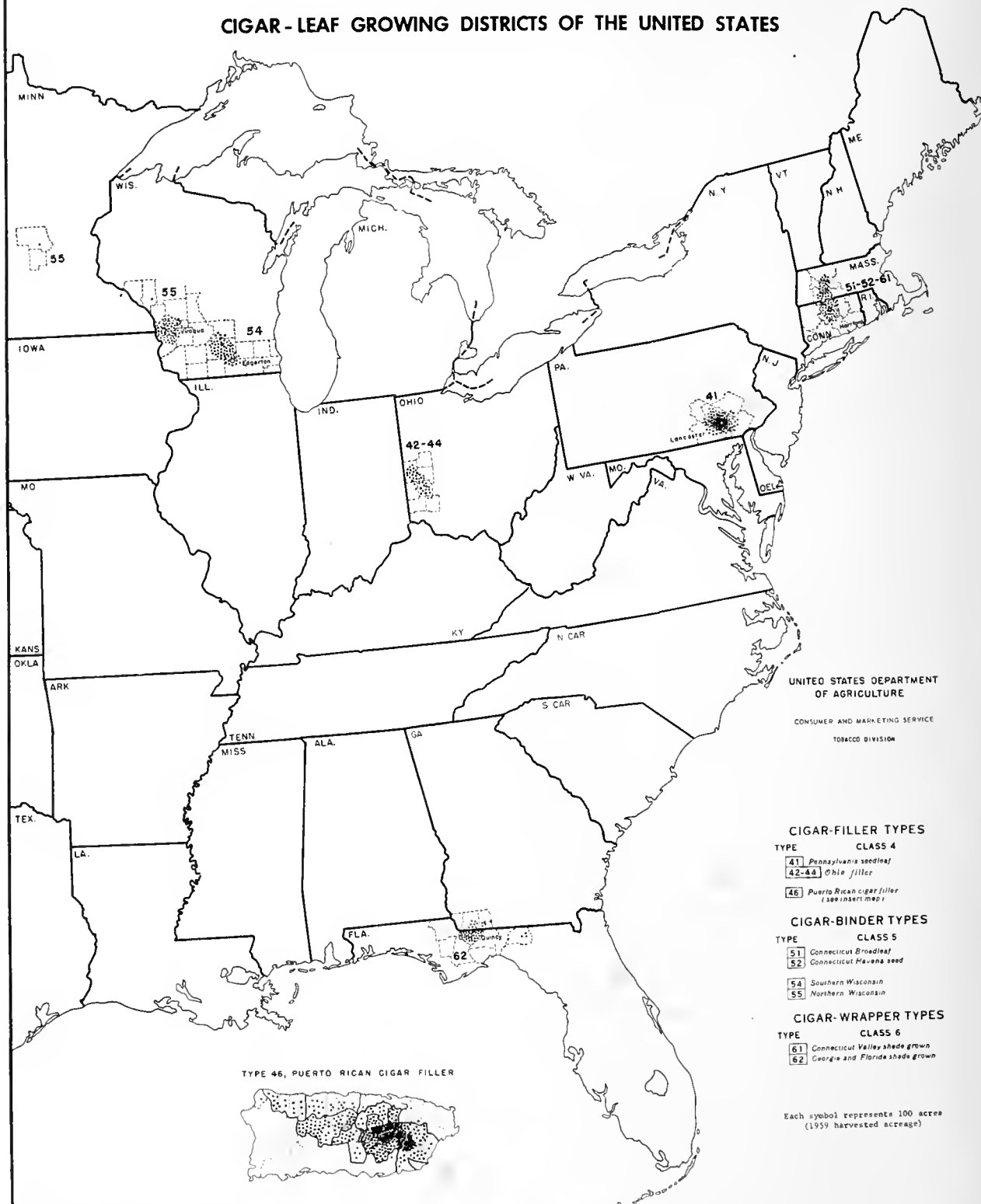


U. S. DEPARTMENT OF AGRICULTURE

NEG. C & MS-2-65(2) CONSUMER AND MARKETING SERVICE

TOBACCO

CIGAR-LEAF GROWING DISTRICTS OF THE UNITED STATES



The Tobacco Inspection Act provides for three related services: Inspection, market news, and demonstration.

INSPECTION SERVICE: The inspection is done by highly trained specialists in tobacco judging, who have taken training courses and passed tests to qualify them for this type of work. They precede the auction sale and certify each basket as to grade, according to Federal standards. This grade is, in reality, a description of each basket of tobacco as to group, quality, and color. Grades can be readily understood by the grower, if he is given a little instruction in their application.

Class: The first and major division of tobacco is class. It is based on characteristics caused by varieties, soils, or climatic conditions, or by the method of cultivation, harvesting, or curing. 1/

Type: Each class is subdivided into types. A type is a division of a class of tobacco having certain common characteristics and closely related grades.

Grade: The next subdivision breaks down each type into grades. A grade is a subdivision of a type according to group, quality, and color.

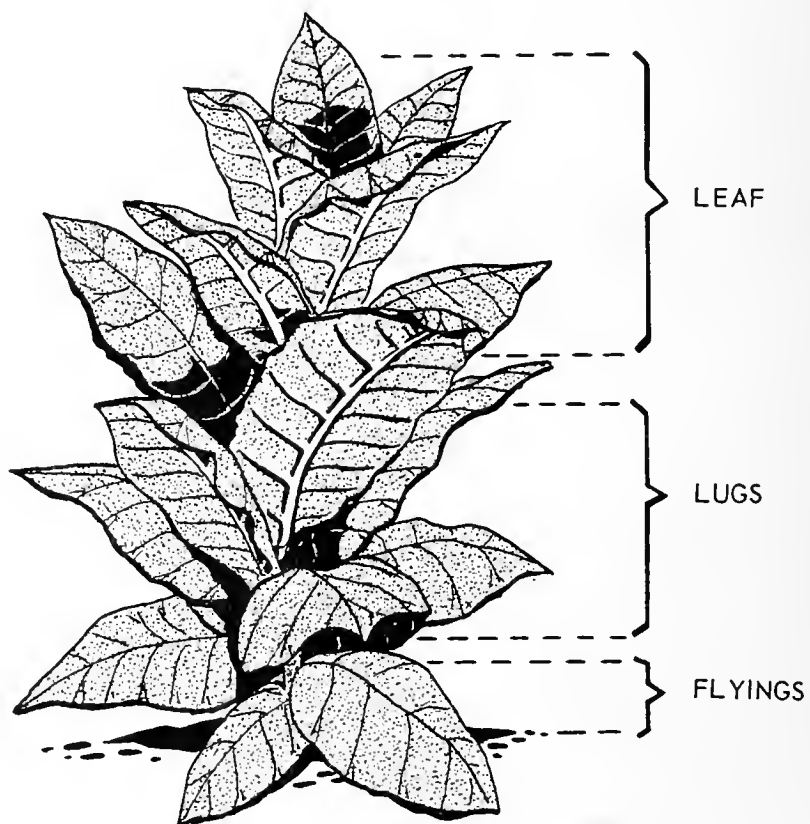
(a) Group: The first and basic factor of a grade is group, a division of a type covering closely related grades based on certain characteristics which are related to stalk position, body, or the general quality of the tobacco. Groups in Burley are: Flyings (X), Lugs or Cutters (C), Leaf (B), Tips (T), Mixed (M), Nondescript (N), and Scrap (S).

Flyings (X). This group consists of leaves normally grown at the bottom of the stalk. These leaves are flat and open-faced and have a blunt or oblate tip. Compared with other groups on the stalk, Flyings consist of relatively thin to tissuey leaves which show the highest degree of maturity and the most open leaf structure. Flyings show a material amount of injury characteristic of leaves grown near the ground.

Lugs or Cutters (C). This group consists of leaves normally grown at the midportion of the stalk. Cured leaves from this stalk position have a tendency to roll, concealing the stem or midrib. Lugs or Cutters have an oblate to rounded tip and are usually thin to medium in body. The leaves are spready in relation to their length and show little or no ground injury.

1/ See Brief Classification of leaf tobacco, page 4.

BURLEY TOBACCO PLANT



Leaf (B). This group consists of leaves normally grown above the midpoint of the stalk. Cured leaves from the upper stalk position have a tendency to fold, concealing the face of the leaf and exposing the stem or midrib. These leaves have a pointed tip and generally are medium to heavy in body. They are narrower in relation to their length than corresponding qualities of the C group.

Tips (T) This group consists of leaves usually grown at the top of the stalk. These relatively narrow and sharp-pointed leaves have the general characteristics of B-group tobacco. Tips have a slightly lower degree of maturity and leaf structure than other leaves on the stalk.

Mixed (M). This group consists of tobacco of distinctly different groups which are mixed together in various combinations.

Nondescript (N). Extremely common tobacco which does not meet the minimum specifications or which exceeds the tolerance of the lowest grade of any other group.

Scrap (S). A by-product of unstemmed and stemmed tobacco. Scrap accumulates from handling tobacco in farm buildings, warehouses, packing and conditioning plants, and stemmeries.

(b) Quality: The second factor of a grade is quality, a division of a group based on the relative degree of one or more elements of quality in tobacco. The five degrees of quality in Burley are: Choice (1), Fine (2), Good (3), Fair (4), and Low (5).

(c) Color: The third factor of a grade is color, and is expressed in degrees of visual difference related to a scale of values that are common to the type. The terms used to describe color in Burley are: Buff (L), Tan (F), Tannish Red (FR), Red (R), Dark Red (D), Variegated (K), Mixed (M), Greenish (V), Greenish Tan (VF), Greenish Red (VR), Green (G), Green Tan (GF), and Green Red (GR).

In addition to the above three main factors, if the tobacco is in unsafe keeping order, the symbol "W" is added to the other symbols, or if unsound, the symbol "U".

A combination of group, quality, and color can be made to form a grade. To simplify the use of Groups, Qualities, and Colors, letters and numerals are used to represent the words they stand for, as follows:

KEY TO STANDARD GRADE MARKS 1/

<u>Groups</u>	<u>Qualities</u>	<u>Colors</u>
X - Flyings	1 - Choice	L - Buff
C - Lugs or Cutters	2 - Fine	F - Tan
B - Leaf	3 - Good	FR - Tannish red
T - Tips	4 - Fair	R - Red
M - Mixed	5 - Low	D - Dark red
N - Nondescript		K - Variegated
S - Scrap		M - Mixed
		V - Greenish
		VF - Greenish tan
		VR - Greenish red
		G - Green
		GF - Green tan
		GR - Green red

Special factors "U" and "W" may be applied to all grades.
Tobacco not covered by the standard grades is designated as No-G.

Exceptions: In the Mixed Group grades: F indicates light general color and medium to tissuey body, and R, dark general color and heavy to medium body. In the Nondescript grades: 1 indicates the best, and 2 the poorest; L indicates light color and thin body, F medium color and medium body, R dark color and heavy body, and G crude green.

Substituting symbols for words, Lugs of Good quality in Tan color would be written C3F. The first symbol, C, indicates the group, the second symbol, 3, denotes the quality, and the third symbol, F, describes the color. Each symbol used in a Federal grade for tobacco has therefore a definite and known meaning.

To make this clear, assume we are to determine a grade of a single lot of tobacco. Upon examination we find from characteristics it is clearly a Flying and we know the first symbol is X. Examining it more closely as to relative degrees of quality, we find that it is tissuey, ripe to mellow, open to porous, and wavy, and has dull finish and weak color intensity, and is 80 percent uniform and has less than 20 percent injury. We are thus able to arrive at its degree of quality, which is Good or 3. Assuming the major portion of the Flyings are buff-colored leaves, we use the symbol L, making it X3L. Now we have a complete description of the tobacco.

1/ The details of the groups, qualities, and colors used in connection with the grades for Burley tobacco are shown on page 12.

Operation of Inspection Service:

- (1) Growers deliver their tobacco to the market of their choice and to any warehouse they may select.
- (2) The tobacco is arranged for sale on flat baskets.
- (3) Each lot, or basket, is then weighed and a warehouse ticket is placed on the lot. The ticket shows the name of the seller and the number of pounds of tobacco in the lot, and may give other information for the purpose of identification. Space is provided on the ticket for the name of the buyer, the grade symbol of the buyer, and the price at which the tobacco is sold. It also has a space in the upper-right corner for the Federal grade (see page 14).
- (4) The lots, or baskets, are placed in line on the warehouse floor.
- (5) As soon as there is good light, the official inspector starts at the beginning of the "break" ahead of the sale, and makes a careful examination of each basket of tobacco. He then writes on the ticket, in the space provided, the Federal grade that correctly describes the tobacco in the lot, inserts the date, and signs his initials. If the tobacco inspected is Leaf of Fair quality in Red color, the inspector writes B4R. If the tobacco is made up of Lugs of Fine quality in Buff color, the grade symbols are C2L. If the lot is made up of Flyings of Good quality in Tan color the grade mark is X3F. The warehouse ticket then becomes a certificate of grade and shows the type of tobacco as well as its group, quality, and color.

- - - - -

The Federal system of grades for tobacco differs from private systems in that it must be more comprehensive, since it must describe any and all lots of tobacco offered for sale. Each symbol has a definite meaning which is known to the general public, and symbols are a complete description of the lot to which they apply.

Farmers are sometimes confused by the fact that the combinations of the several groups, qualities, and colors form such a large number of grades. Because the total number cannot be applied to their particular crops, they say that too many grades are recognized. However, it should be remembered that grades are used only as required, and only a limited number are necessary to describe all the tobacco in an individual crop. Crops from different farms and from different areas show such a wide variation that a wide range in grades is necessary to describe all Burley tobacco offered for sale.

CLASSIFICATION OF TOBACCO, TYPE 31

<u>CLASS</u>	<u>TYPE</u>	<u>GROUPS</u>	<u>QUALITIES</u>	<u>COLORS</u>	
<div> <div>Class 3</div> <div>Air-cured</div> </div>	<div> <div>Type 31</div> <div>Burley</div> </div>	T-Tips	<div> <div>3-Good</div> <div>4-Fair</div> <div>5-Low</div> </div>	<div> <div>F-Tan</div> <div>FR-Tannish Red</div> <div>R-Red</div> <div>D-Dark Red</div> <div>K-Variegated</div> <div>VF-Greenish Tan</div> <div>VR-Greenish Red</div> <div>GF-Green Tan</div> <div>GR-Green Red</div> </div>	<div> <div>3-4-5 qualities</div> <div>3-4-5</div> <div>3-4-5</div> <div>4-5</div> <div>4-5</div> <div>4-5</div> <div>4-5</div> <div>4-5</div> <div>4-5</div> </div>
		B-Leaf	<div> <div>1-Choice</div> <div>2-Fine</div> <div>3-Good</div> <div>4-Fair</div> <div>5-Low</div> </div>	<div> <div>F-Tan</div> <div>FR-Tannish Red</div> <div>R-Red</div> <div>D-Dark Red</div> <div>K-Variegated</div> <div>M-Mixed</div> <div>VF-Greenish Tan</div> <div>VR-Greenish Red</div> <div>GF-Green Tan</div> <div>GR-Green Red</div> </div>	<div> <div>all</div> <div>all</div> <div>all</div> <div>4-5</div> <div>3-4-5</div> <div>3-4-5</div> <div>3-4-5</div> <div>3-4-5</div> <div>3-4-5</div> <div>3-4-5</div> </div>
		C-Lugs	<div> <div>1-Choice</div> <div>2-Fine</div> <div>3-Good</div> <div>4-Fair</div> <div>5-Low</div> </div>	<div> <div>L-Buff</div> <div>F-Tan</div> <div>R-Red</div> <div>K-Variegated</div> <div>M-Mixed</div> <div>V-Greenish</div> <div>G-Green</div> </div>	<div> <div>all</div> <div>all</div> <div>3-4-5</div> <div>3-4-5</div> <div>3-4-5</div> <div>3-4-5</div> <div>4-5</div> </div>
		X-Flyings	<div> <div>1-Choice</div> <div>2-Fine</div> <div>3-Good</div> <div>4-Fair</div> <div>5-Low</div> </div>	<div> <div>L-Buff</div> <div>F-Tan</div> <div>R-Red</div> <div>M-Mixed</div> <div>G-Green</div> </div>	<div> <div>all</div> <div>all</div> <div>3-4-5</div> <div>4-5</div> <div>4-5</div> </div>
		M-Mixed	<div> <div>3-Good</div> <div>4-Fair</div> <div>5-Low</div> </div>	<div> <div>F-Light</div> <div>R-Dark</div> </div>	<div> <div>3-4-5</div> <div>3-4-5</div> </div>
		N-Nondescript	<div> <div>1-Best</div> <div>2-Poorrest</div> </div>	<div> <div>L-Thin Body</div> <div>F-Medium Body</div> <div>R-Heavy Body</div> <div>G-Crude Green</div> </div>	<div> <div>1-2</div> <div>1</div> <div>1-2</div> <div>1-2</div> </div>
		S-Scrap	As defined		
		No-G - No Grade	As defined		
				(Special factors U and W may be applied to all grades)	

SUMMARY OF STANDARD GRADES FOR BURLEY TOBACCO, TYPE 31

17 Grades of Flyings		24 Grades of Lugs or Cutters	
X1L	X1F	C1L	C1F
X2L	X2F	C2L	C2F
X3L	X3F	X3R	C3R
X4L	X4F	X4R	C4R
X5L	X5F	X5R	C5R
		X4M	C4M
		X5M	C5M
		X4G	C4G
		X5G	C5G
35 Grades of Leaf			
B1F	B1FR	B1R	
B2F	B2FR	B2R	
B3F	B3FR	B3R	
B4F	B4FR	B4R	
B5F	B5FR	B5R	
		B4D	
		B5D	
		B3K	
		B4K	
		B5K	
		B3VF	
		B4VF	
		B5VF	
		B3VR	
		B4VR	
		B5VR	
		B3GF	
		B4GF	
		B5GF	
		B3GR	
		B4GR	
		B5GR	
21 Grades of Tips			
T3F	T3FR	T3R	
T4F	T4FR	T4R	
T5F	T5FR	T5R	
		T4D	
		T5D	
		T4K	
		T5K	
		T4VF	
		T5VF	
		T4VR	
		T5VR	
		T4GF	
		T5GF	
		T4GR	
		T5GR	
6 Grades of Mixed Group		7 Grades of Nondescript	
M3F	M3R	N1L	N1R
M4F	M4R	N2L	N2R
M5F	M5R	N1G	N2G
			S
		1 Grade of Scrap	

BURLEY MARKETS, WAREHOUSES, AND SETS OF BUYERS, 1964 SEASON

Market	Warehouses	Buyers	Market	Warehouses	Buyers
	Number	Sets		Number	Sets
Kentucky:			Tennessee (Cont'd).		
Bloomfield	5	1	Johnson City	8	1
Bowling Green	10	1/ 1	Knoxville	11	2
Carrollton	10	2	Morristown	8	1
Covington	2	1	Mountain City	5	1
Cynthiana	14	1	Mt. Pleasant	3	1/ -
Danville	8	1	Newport	5	1
Franklin 2/	4	1/ 1	New Tazewell	8	1
Glasgow	10	2	Rogersville	6	1
Greensburg	4	1	Sparta	4	1
Harrodsburg	8	1	Springfield 2/	5	1
Henderson 2/	2	3/ -	Sweetwater	1	1/ -
Hopkinsville 2/	13	1	Total	127	20
Horse Cave	10	2			
Lebanon	6	1	Virginia:		
Lexington	35	5	Abingdon	11	2
London	5	1	Gate City	4	1
Louisville	5	1/ 2	Pennington Gap	4	1
Mayfield 2/	2	1/ 1	Total	19	4
Maysville	18	3			
Morehead	3	1	North Carolina:		
Mt. Sterling	4	1	Asheville	11	2
Owensboro 2/	11	4/ 1	Boone	3	1
Paducah	7	1/ -	West Jefferson	3	1
Paris	10	1	Total	17	4
Richmond	8	1			
Russellville 2/	7	1/ 1	West Virginia:		
Shelbyville	10	2	Huntington	2	1
Somerset	2	1			
Springfield	7	1	Indiana:		
Winchester	5	1	Madison	3	1
Total	245	39	New Albany	1	1/ -
			Total	4	1
Tennessee:					
Athens	1	1/ 1	Ohio:		
Carthage	8	1	Ripley	4	1
Clarksville 2/	9	1			
Columbia	2	1/ 1	Missouri:		
Fayetteville	2	1	Weston	3	1
Franklin	3	1			
Gallatin	7	1	Total Va. - Mo.	49	12
Greeneville	26	2			
Hartsville	5	1	GRAND TOTAL	421	71

1/ Same buyers used for Louisville, Ky., and New Albany, Ind. (2 sets); Columbia and Mt. Pleasant, Tenn. (1 set); Mayfield and Paducah, Ky. (1 set); Athens and Sweetwater, Tenn. (1 set); Bowling Green, Franklin and Russellville, Ky. (2 sets - in addition to one complete set at Bowling Green).

2/ This market sells more than one type.

3/ Same buyers used as for dark air-cured (Type 36), at Henderson, Ky.

4/ In addition, the Green River set of buyers at Owensboro, Ky., operates on Burley sales until the opening of the dark air-cured season, and thereafter also, when allotted time permits.

MARKET NEWS SERVICE: A principal purpose of market news reports is to provide tobacco growers with information on prices and market conditions as assistance to them in making sound decisions in marketing their tobacco. The average grower cannot spend enough time on the warehouse floor to keep posted on the approximate value of the different grades of tobacco, but he must have this information if he is to get a fair price for his tobacco. The tobacco market news service gathers this information as a companion activity of the inspection service.

The value of the inspection and market news services lies in the fact that the certificate of grade on the warehouse ticket provides tobacco growers with unbiased information regarding the grade or quality of each lot of tobacco offered for sale, and the price reports furnish a definite basis for making an intelligent decision on whether or not to accept a bid.

During morning sales, on representative markets located over the entire Belt, a record is made of grade, pounds, and price for each lot sold. These data are transmitted to a central market news office, where averages are calculated for representative grades and issued in the form of a daily press release. This report carries quotations on grades which represent around three-fourths of the total volume of offerings. The release reviews the highlights of the day's sale covering such items as quality, price, trend, high and low price for individual baskets, etc. Sales figures for the Belt are also included. Newspapers and radio and television stations are furnished with the release daily.

Daily price reports are sent to every market showing the average price at which each grade sold the preceding day, along with the support price for the grade. This information is made available to growers selling on the market. In addition, weekly market news reports and press releases are issued which review the marketing activities for the week.

Market price reports furnish growers with current average prices and support prices by grade. If a certain grade is averaging well above the support price, it is well for the grower to think before accepting the loan price. For example, if the average for B5FR was \$62.00, and the support was \$49.00, and the grower was offered a bid below the support price, it would be worth his time to reject this bid and offer the lot at the next sale. He is assured that the loan price will be the same all season, and in most cases his lot will bring a price nearer the average on the second sale, and thus give him a nice profit over the first sale.

DATE	(NAME OF WAREHOUSE)	Tobacco Inspection Certificate This tobacco inspected by the U. S. Department of Agriculture under the Tobacco Inspection Act, is certified to be:	
	NO. <u>496</u>	Type 31 Grade _____	
	BASKET <u>2438</u>	_____ BY _____ (Date) (Inspector U. S. D. A.)	
	GROWER <u>John Doe</u>		
	<u>450</u> LBS.		

DATE	(NAME OF WAREHOUSE)	Tobacco Inspection Certificate This tobacco inspected by the U. S. Department of Agriculture under the Tobacco Inspection Act, is certified to be:	
	NO. <u>496</u>	Type 31 Grade <u>C3F</u>	
	BASKET <u>2438</u>	<u>12-9-64</u> BY <u>JD</u> (Date) (Inspector U. S. D. A.)	
	GROWER <u>John Doe</u>		
	<u>450</u> LBS.		

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TOBACCO WAREHOUSE TICKET - BEFORE AND AFTER INSPECTION AND SALE

Tobacco Market Prices

BURLY - TYPE 31

DAILY

Dec. 16, 1964

U. S. DEPT. OF AGRICULTURE - CONSUMER AND MARKETING SERVICE - TOBACCO DIVISION

NO. 13

1964 Crop

Ky., Tenn., Va. & W. Va. Depts. of Agri. Cooperating

Gross sales in the eight-state area Tuesday, December 15 totaled 31,711,907 pounds and averaged \$59.82 per hundred. Season sales amounted to 395,113,363 pounds averaging \$61.83.

Auction bid averages and advance prices per hundred pounds by U. S. grades

Wednesday, December 16, 1964

U. S. GRADE	AUCTION AVERAGE	ADVANCE PRICE	U. S. GRADE	AUCTION AVERAGE	ADVANCE PRICE	U. S. GRADE	AUCTION AVERAGE	ADVANCE PRICE
FLYINGS			LUGS (Cont'd)			TIPS		
X1L	\$74*	74	CSM	\$67	55	T3F	\$61*	59
X1F	74*	74	C5V	--	58	T3FR	60*	55
X2L	74*	73	C5G	--	41	T3R	51*	45
X2F	74	73	LEAF			T4F	60*	54
X3L	73*	72	B1F	72*	71	T4FR	57	50
X3F	73	72	B1FR	67*	64	T4R	48	42
X3R	--	62	B1R	--	57	T4D	40*	35
X4L	71	69	B2F	71	69	T4K	43*	32
X4F	70	69	B2FR	65*	62	T4VF	52*	47
X4R	61*	58	B2R	61*	55	T4VR	42	37
X4M	64	58	B3F	68	67	T4GF	42*	39
X4G	--	46	B3FR	62	59	T4GR	36	32
X5L	67	64	B3R	57	52	T5F	--	50
X5F	67	64	B3K	60	56	T5FR	54	45
X5R	61*	51	B3M	64	57	T5R	45	37
X5M	64	47	B3VF	62	61	T5D	36*	32
X5G	53*	39	B3VR	50*	46	T5K	37*	29
LUGS			B3GF	--	49	T5VF	47*	43
C1L	--	74	B3GR	--	38	T5VR	38	32
C1F	74*	74	B4F	68	65	T5GF	39*	34
C2L	--	73	B4FR	61	56	T5GR	33	29
C2F	74	73	B4R	54	49	MIXED GROUP		
C3L	72*	72	B4D	46*	39	M3F	68*	57
C3F	73	72	B4K	57	51	M3R	--	45
C3R	--	64	B4M	61	52	M4F	62	52
C3K	63*	60	B4VF	60	57	M4R	--	40
C3M	69	63	B4VR	48	44	M5F	60	49
C3V	69*	67	B4GF	50*	46	M5R	52*	35
C4L	71*	71	B4GR	41*	35	NONDESCRIPT		
C4F	72	71	B5F	63	60	N1L	61	51
C4R	64*	62	B5FR	58	52	N1F	55	43
C4K	62	58	B5R	51	46	N1R	41	29
C4M	68	60	B5D	37*	34	N1G	34	26
C4V	66*	64	B5K	52	41	N2L	57	40
C4G	--	47	B5M	58	42	N2R	33	23
C5L	69*	67	B5VF	51*	51	N2G	27	22
C5F	69	67	B5VR	46	40			
C5R	63*	57	B5GF	44*	41			
C5K	60*	52	B5GR	40	32			

*Latest average established.

Tobacco graded "W" (Doubtful Keeping Order), "U" (Unsound), or "No-G" (No Grade) will not be accepted for loan.

(SEE OTHER SIDE)

"NOTICE TO GROWERS"

THE INFORMATION FURNISHED IN THIS REPORT IS INTENDED TO HELP YOU IN OBTAINING THE MARKET PRICE FOR YOUR TOBACCO.

USE PRICE REPORTS REGULARLY

Note both AUCTION average and ADVANCE price shown. You have one of the following three choices:

1. Accept Auction Price Offered.
2. Reject Auction Price and Re-offer.
3. Deliver to the Association or Stabilization Corporation at Advance.

BE PRESENT WHEN YOUR TOBACCO IS SOLD. Consult your warehouseman about delivery of any tobacco to the Association.

CAREFUL PREPARATION OF TOBACCO FOR MARKET PAYS A PROFIT

1. Keep GREEN and RIPE tobacco separated.
2. Be sure to remove all "rubber bands" before tying leaves into bundles. Failure to do so will result in the tobacco being graded "No-Grade" if detected by the Government Tobacco Inspector. "No-Grade" tobacco carries no support price.
3. Tie heads of bundles uniformly - about size of silver dollar.
4. Handle and market your tobacco in proper keeping order. WET TOBACCO IS ALWAYS SOLD AT A LOSS TO THE GROWER.

CONSULT YOUR TOBACCO GRADER. ASK HIM ANY QUESTIONS OR ADVICE ABOUT MARKETING YOUR TOBACCO. HE IS ON THE MARKET TO ASSIST YOU.

KEY TO STANDARD GRADE MARKS FOR BURLEY TOBACCO

<u>GROUP</u>	<u>QUALITY</u>	<u>COLOR</u>	
B-Leaf	1-Choice	L- Buff	V-Greenish
T-Tips	2-Fine	F-Tan	VF-Greenish Tan
C-Lugs or Cutters	3-Good	FR-Tannish Red	VR-Greenish Red
X-Flyings	4-Fair	R-Red	G-Green
M-Mixed Group	5-Low	D-Dark Red	GF-Green Tan
N-Nondescript		K-Variegated	GR-Green Red
S-Scrap		M-Mixed	

For example: B3F designates leaf, good quality, tan color.
SPECIAL FACTOR: "U" and "W" may be applied to all grades.

Information like this will enable every farmer to know after his tobacco is sold whether the prices, lot by lot, are in line with those already established on a grade basis by the buyers. This information will enable farmers to market their tobacco on a basis of fair competition.

Records of offerings and sales, compiled by the Department of Agriculture, show that when bids are materially below the price range per grade, farmers make money by rejecting the bids and putting their tobacco up for sale again. The data also show that when bids are within the price range per grade or above the average for the grade, farmers seldom profit but usually lose by rejecting the bid. The point is that if farmers are to benefit from the operations of the inspection and market news services they must apply the information obtained. Information which enables farmers to reject low bids and to obtain for their tobacco substantially higher prices at the second offering is of great value to producers in marketing their tobacco.

In addition, the Department issues market reviews each year which cover such information as opening and closing dates of all markets, number of warehouses and buyers on each market, warehouse charges, summary of sales by crop years, summary of sales by States and months, producers' sales and re-sales by markets, price charts showing fluctuations over a period of years, average price per grade each week of marketing season, percentages of each group, quality, and color in each crop, and other valuable data.

Any or all of these reports will be sent without cost, upon request to Market News Service, Tobacco Division, AMS, 1409 Forbes Road, Lexington, Ky.

DEMONSTRATION SERVICE: The demonstration service is educational. It acquaints farmers with the objectives of inspection and market news and how these services can benefit them, and instructs them how to prepare their tobacco so that it will be sold at the highest price consistent with quality.

In cooperation with county agents and agricultural teachers, tobacco inspectors hold meetings directly at tobacco barns, where actual stripping demonstrations are given. These demonstrations show the farmer the best way to prepare his tobacco for market so that he will get the best possible price for it. Inspectors will also explain to agricultural students the advantages of knowing how to use the inspection and market news services.

Summary: The object of Inspection, Market News, and Demonstration is to supply information regarding the factors pertaining to the value of tobacco offered for sale.

When a lot of tobacco is sold at auction, many factors other than type and quality may influence the selling price. As a result, it is not unusual to see parts of a split lot sold for different prices. Nor is it uncommon for selling prices of tobacco of the same quality and other identical characteristics to vary considerably among different auction markets. This price behavior is to a large extent inherent in the system of auction selling.

For many years, this situation created considerable uncertainty and confusion among farmers. To help overcome the problem, farmers found that they needed:

1. A system of standard grades, uniformly applied, for classifying their tobacco according to type, quality, and other significant characteristics.
2. A good working knowledge of how to properly prepare their tobacco for market.
3. Reliable reports on current market prices according to standard grades.

These needs are met by the services authorized in the Tobacco Inspection Act of 1935. The Federal inspection, demonstration, and market news services of the U. S. Department of Agriculture, which are based on Government standard grades, provide an impartial and relatively accurate measuring stick of grades and prices which each grower can use.

In effect the services provide a common language which can be understood by all people engaged in growing, selling, or processing tobacco. Uniform standard grades remove much doubt and uncertainty in the minds of buyers concerning the quality of tobacco offered for sale. Farmers are assured that their tobacco has been carefully examined and accurately described. The sale can then proceed at a more orderly pace with less confusion. Furthermore, since the support price is based on Government grade standards, the grower is assured of a reasonable market price for his crop. The information provided by the market news service on all aspects of the marketing system provides both buyers and sellers with reliable data enabling them to make more accurate decisions. When tobacco is sold from loan holdings, each hogshead is again inspected by a Government inspector, ensuring the buyer of a uniform pack.

The services are informational. The inspection service does not promote sales; it only supplies information regarding the quality of tobacco offered for sale. The market news service does not establish prices; it only records current average prices established by sales of tobacco. If the service is rightly used it will go far toward preventing losses suffered by growers when tobacco is sold at less than its current market value.